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ESCOBAR ON U.S. 'CAMPAIGN AGAINST PANAMA'

PA260353 Panama City Domestic Service in Spanish 1432 GMT 25 Sep 86

[Speech by Romulo Escobar Bethancourt, president of the Democratic Revolutionary Party of Panama, at the Socialist International meeting in Panama City -- live]

[Excerpts] Good morning, distinguished delegates: Dr Jose Francisco Pena Gomez, president of the Socialist International Committee for Latin America and the Caribbean; distinguished persons and leaders who accompany us in the main stand; distingusihed delegates to this conference; distinguished companeras and companeros: As president of the Democratic Revolutionary Party, and on behalf of my fellow members of the National Executive Committee and of the members of our party, we cordially welcome you. [passage omitted]

It is true that the Panama Canal Torrijos-Carter Treaties allowed us to make an important change -- the elimination of the former Panama Canal Zone -- and along with this change, the foreign police disappeared, the concept of perpetuity disappeared, as did the governor [of the Canal Zone] and the postal services; the military presence was limited, and above all, a termination date was established for the contractual relation between the two countries. It is no less true that the treaty has not meant the exact fulfillment of that struggle for total sovereignty. This has been the case because within the United States there are reactionary and fascist sectors who were once opposed to an understanding with Panama, and they have again raised their heads and are trying -- by all means -- to discredit the great goals in those treaties. Through law number 96-70, also called the Murphy Law, they try every day to violate the philosophy, doctrine, and spirit with which both countries reached the agreement.

Distinguished delegates, this is important because those U.S. ultraconservative sectors -- along with Panamanian ultrareactinary sectors who dream of power and of installing a fascist power in our country -- are trying to destabilize our nation, to weaken and divide it in such a manner that they will be able to show the world at the end of this century a nation that is incapable of directing and administering a waterway that, although national, is international due to its geographic location and the fact that it is used by all nations of the world.

This plan is being carried out and was coldly conceived by U.S. ultraconservative forces. It is aimed against the stability of our government and against the stability and integrity of our Armed Forces, particularly against our Armed Forces [as heard], and mainly against its chief and commander, General Manuel Antonio Noriega. [passage omitted]

It is not just a matter of mocking the Torrijos-Carter Treaties that moves this campaign against the Republic of Panama, its government, and its Defense Forces. There is also the fact that Panama has repeatedly refused to join the path of war in Central America, that Panama has been upholding Contadora's stand as the only means to peacefully resolve the Central American peoples' situation; Panama has pointed out Nicaragua's right to self-determination, and has voiced opposition to a military solution for Central America and Nicaragua. Since Panama has not wanted to yield to that warmongering policy or join the group that seeks to crush the Nicaraguan and Salvadoran people, and since Panama is increasing its presence as a mediator for peaceful solutions, then this also leads to fierce attacks by imperialists against our country with the purpose of either discrediting it in such a manner that it will not be capable of acting as a mediator, or frightening it in such a manner that it will withdraw from the Contadora Group and join the bandwagon of war that is being unleashed against the Central American brethren and people. [passage omitted]

PANAMA CITY SOCIALIST INTERNATIONAL RESOLUTIONS

PA270322 Panama City Domestic Service in Spanish 0035 GMT 27 Sep 86

[Resolutions issued by the Socialist International, SI, following its 2-day meeting in Panama City; read by Luis Ayala, assistant SI secretary general -- live]

[Text] Declaration on Panama [subhead]

The SI Committee for Latin America and the Caribbean has reiterated its trust in the Democratic Revolutionary Party, PRD, in its efforts aimed at perfecting the country's democratic process. It has reiterated its solidarity with the Panamanian people and the PRD in their struggle to advance the fulfillment of their national demands, their territorial integrity, sovereignty, and independence; to maintain and develop a foreign policy based on neutrality, nonalignment, and cordial relations and mutual respect with all the nations of the world; and to protect and strengthen the right of the Panamanians to choose their own system of integral development in accordance with the wishes of their people and without foreign interference, pressures, or trusteeships. In particular, the participants at the meeting reiterated their solidarity with the Panamaian people and the PRD in their struggle to ensure that the U.S. Government faithfully abides by the letter and spirit of the Torrijos-Carter Treaties on the Panama Canal, and that the neutrality of that waterway and its installations is respected.

1. The parties represented in the committee expressed their concern regarding the implementation by the United States through the Panama Canal Commission of the so-called Law 96-70, passed by the U.S. Congress, which violates the treaties and is contrary to its proper implementation. The SI, therefore, expresses its solidarity with the efforts of the Panamanian Government and the PRD to get the United States to abolish from its internal legislation all that is contrary to and violates the agreements expressed in the Torrijos-Carter Treaties and which create new causes for conflict between the two countries.

2. The committee supported the PRD and the Panamanian authorities in their refusal to have Nicaraguan counterrevolutionary forces, or any other foreign unconventional force [fuerzas irregulares], train at foreign military bases temporarily located in Panama. Likewise, the committee expressed its solidarity with the PRD and the Panamanian people in their refusal to have those bases, equipment, and military forces used to carry out or support covert or overt operations in other countries of the region, thereby violating the Torrijos-Carter Treaties that approved of the bases for the sole purpose of protecting the Panama Canal in joint collaboration with the Panamanian National Defense Forces, which must have a growing participation in this task, while the U.S. presence and participation must decrease and be limited to protecting the neutrality of the waterway.

3. The committee agreed to condemn the slander campaign against the Republic of Panama and its authorities orchestrated by ultraconservative sectors of the United States aimed at destabilizing the country, hindering the return of the Panama Canal to the property and control of the Panamanian state, and eliminating Panama's nonaligned foreign policy and its efforts toward a peaceful, negotiated, and political resolution of the Central American conflict.

Declaration on Central America [subhead]

Regarding Central America, the SI Committee for Latin America and the Caribbean expresses its concern for the difficulties encountered by the peace process promoted by the Contadora Group. In the case of Nicaragua, the committee reiterates its condemnation of the Reagan administration's interference and violation of international law through its military and economic support for the Nicaraguan counterrevolution. This prevents finding a political solution to the Central American conflict. Likewise, the committee reiterates its approval for the declaration approved in Lima.

Also, the committee expresses its concern for the serious violation of human rights in El Salvador and demands an end to these violations as well as the trial and punishment for those responsible for these violations. The committee also demands the abolishment of the government's repressive systems. The committee demands respect for the political rights and the abolishment of the state of siege enforced more than 6 years ago, which hinders the political activities of the FDR, including the MNR [National Revolutionary Movement].

The SI Committee for Latin America and the Caribbean insists on the need for the renewal of the dialogue in the search for peace between the Salvadoran Government and the FDR-FMLN. This dialogue should be based on continuity, seriousness, and reciprocal security. The committee reiterates its solidarity for its member party, the MNR, and its leader, Guillermo Ungo, in their political struggle to achieve peace and democracy.

Regarding Guatemala, the committee hopes that the democratic process will advance in accordance with the expectations and wishes of the Guatemalan people and that the policy of active neutrality, promoted by the Guatemalan Government, will be maintained in these difficult times for Central America. The committee expresses its solidarity and supports the Guatemalan Democratic Socialist Party.

In conclusion, the SI Committee for Latin America and the Caribbean reiterates its firm support for Contadora and hopes that the peace process promoted by the group will conclude in a satisfactory manner and guarantee the peace, stability, and democracy of the peoples of the region.

Special Resolution on Costa Rica [subhead]

The SI Committee for Latin America and the Caribbean wishes to express its concern over the consequences that will arise from the Nicaraguan Government's decision to bring charges against the Costa Rican Government before the International Court of Justice in The Hague.

The Costa Rican Government has publicly and solemnly stated the neutrality of the Costa Rican nation and the SI has supported and will continue to support this position without reserve. The efforts made by the Costa Rican Government to keep its country outside the Nicaraguan conflict are well known. Costa Rica even asked the Contadora Group to help supervise its border with Nicaragua and has taken steps to prevent the use of its territory for war actions against Nicaragua. Within this context, the committee expresses its solidarity with the Costa Rican Government and its member party, the National Liberation Party, and deplores the initiative adopted by the Sandinist government.

Likewise, the committee regrets the decision adopted by the National Liberation Party, which refused to attend this meeting of the SI Committee for Latin America and the Caribbean because the FSLN was invited to attend the meeting. The National Liberation Party claimed that the FSLN's presence would hinder the possibilities of a dialogue, which has been an invariable position of the SI.

Special Resolution on Paraguay [subhead]

The oldest dictatorship on the continent continues to oppress the Paraguayan people and repress their demonstrations for freedom. The SI Committee for Latin America and the Caribbean reiterates its support and solidarity for the National Pact and especially for the Febrerista Revolutionary Party in their struggle for the democratization of Paraguay. The SI Committee for Latin America and the Caribbean greets the decision adopted by the Lima Congress to send a delegation to Paraguay to express the solidarity of the SI for the country's democratic forces.

Resolution on Chile [subhead]

The SI Committee for Latin America and the Caribbean reiterates its ample solidarity with the peaceful struggle that the Chilean people are waging to put an end to the dictatorship and establish a full democracy. The committee condemns the repeated violations of human rights in that country and the repressive measures adopted by the military regime.

The committee urgently demands an end to the state of siege, respect for all fundamental rights, and the establishment of a schedule for a prompt return to democracy. The return to democracy in Chile becomes more urgent in the face of growing violence and greater militarization, which further polarizes the Chilean society. The committee reiterates its full support for the efforts being made by the political parties and democratic organizations that seek a peaceful and immediate transition to democracy.

ALFONSIN TO STOP OVER IN HAVANA ON 18 OCT

PY260056 Buenos Aires TELAM in Spanish 0010 GMT 26 Sep 86

[Text] Buenos Aires, 25 Sep (TELAM) -- President Raul Alfonsin today accepted an invitation from the Cuban Government. On his trip back from the Soviet Union he will make a technical stopover on 18 October in Havana, where he will meet with Fidel Catro. This was announced by Jose Ignacio Lopez, the presidential spokesman, at the Government House. He also stated that the invitation had been made some time ago through diplomatic channels.

CONSTRUCTION OF NUCLEAR SUBMARINES REVEALED

PY300010 Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 Sep 86 p 19

[By correspondent Flavio Tavares from Buenos Aires]

[Excerpts] The first Argentine nuclear submarine will be ready to sail within 2 years, Admiral Ramon Arosa, the Navy joint chief of staff, has openly revealed, thus taking the lid of secrecy off a topic that has been considered taboo in recent years in Argentina.

Only budgetary problems can delay the construction. "If budgetary restrictions do not force us to go more slowly, the country will have its first atomic submarine in 2 years," Admiral Rosa said at the Rio Santiago Naval School (80 km south of Buenos Aires) during a meeting with journalists at the end of a ceremony in which he said good-bye to officers retiring from active duty in the Navy.

The naval war industry calls for the construction of four nuclear submarines. Arosa said: "The plans are still valid and have not been changed. The goal is to build four nuclear submarines, and two of them are in an advanced stage."

In addition to the nuclear submarine project, a project to build two missile-carrying frigates is under way. Admiral Arosa expalined that "the project is not proceeding as rapidly as we would like, because we have to make accommodations for the shortage of resources. Their construction will be slower, and we have to have patience, but the project will be completed." Admiral Arosa's post is equivalent to that of the navy minister in Brazil.

He did not reveal where the nuclear submarine project is being developed. However, everything seems to indicated that it is being carried out at two shipyards. One of them is Avellaneda, in the very metropolitan area of Buenos Aires, less than 5 km from the Casa Rosada, the Argentine Government House. A project based on FRG technology has been in development there for at least 7 years.

In another shipyard, near the city of La Plata, 70 km south of Buenos Aires, near the seacoast, the Navy is coordinating work on the construction of a nuclear reactor, based on designs completed by the National Commission for Atomic Energy [CNEA] in 1982.

At that time, CNEA President Admiral Jose Castro Madero publicly revealed that the construction of a nuclear submarine "was under study." Since the end of the Malvinas war (June 1982), however, nothing else has been heard about this study.

Slightly more than a month ago, nuclear engineer Jorge Cosentino during an interview he gave to FOLHA gave a clue in the story on the Argentine nuclear submarine. He told FOLHA that "some years ago" a navy captain completed the "viability" and "feasibility" study for the construction of a nuclear submarine. The captain was a member of a team that during the military regime occupied two stories of a building owned by the CNEA at 3619 Arribenos Street, in Buenos Aires, a few blocks from the CNEA headquarters. Although he is not an expert in military affairs, engineer Cosentino explained in that interview that perhaps the Argentine route to acquire a nuclear submarine was to transform a conventional unit, like the United States did in 1952. The first U.S. nuclear submarine, the Nautillus, resulted from the transformation of several conventional submarines and the replacement of the diesel engine with a compact nuclear reactor.

A few days ago, the most important Argentine nuclear physicist, Mario Mariscotti, gave us another clue regarding the construction of the nuclear submarines. He denied that the CNEA, where he is head of the research section, has tried to develop plans for the construction of a nuclear submarine, but left an alternative open.

Physicist Mariscotti, in his office at the CNEA building, expressly told us: "There is nothing at the CNEA on that. I do not know anything about it. Perhaps there might be something at the Defense Ministry."

He told the truth. The plan for the construction of nuclear submarines was taken out of the hands of the CNEA (which has had a monopoly over nuclear activities in Argentina) and moved to the Defense Ministry and placed under the direct coordination and supervision of the Navy. Apparently, the same naval experts who during the dictatorial military governments worked on the "Technical viability" project at the CNEA are now heading the submarine construction project. [passage omitted]

SOVIET OFFICIAL DISCUSSES BILATERAL TRADE

PY262208 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2010 GMT 25 Sep 86

[Text] Buenos Aires, 25 Sep (NA) -- According to Aleksandr Kovalev, the Soviet commerical attache to Argentina, the USSR will fulfill all its commerical commitments with Argentina despite the fact that "there has been a decrease" in bilateral trade in 1986.

Kovalev, who this afternoon held a press conference to discuss President Raul Alfonsin's upcoming visit to the Soviet Union, reported that in 1985 bilateral trade totaled $1.5 billion, which "was clearly favorable to Argentina." He said that trade between Argentina and the USSR over the past 5 years has totaled $9 billion.

The Soviet official said that last year "over 30 percent of the surplus of the Argentine trade balance" derived from Argentine exports to the USSR. But he added that "this imbalance might hamper the subsequent bilateral trade relations."

The Soviet attache stated that in the last decade Soviet-Argentine relations developed on the basis of agreements that established that the two countries grant each other "most-favored-nation" treatment. These agreements established the exchange of Soviet equipment with payment terms of up to 10 years for Argentine grain, meat, and soybeans for 1980 to 1985.

Regarding President Alfonsin's trip to the Soviet Union beginning on 13 October, Kovalev said: "This will be the first time for an Argentine president to visit our country." He added that this meeting will give a new thrust to the stable growth of economic-commercial and scientific-technical ties based on mutually advantageous terms for the two countries."

He recalled commitments that were signed by Argentine Foreign Minister Dante Caputo during his recent trip to the USSR, such as the intergovernmental agreement by which Argentina committed itself to supplying grain and soybeans from 1986 to 1990 and the agreements by which Argentina committed itself to buying $500 million worth of Soviet equipment and machinery during the same period.

The Soviet commercial attache said: "These agreements that are about to be reached, establish a favorable atmosphere for the visit Alfonsin will pay to the Soviet Union which will strengthen even more our bilateral ties, which are based on mutually advantageous terms."

BRIEFS

NEW NETHERLANDS AMBASSADOR -- Buenos Aires, 25 Sep (TELAM) -- At 1200 today President Alfonsin received the credentials of Robert Pesch, the new Netherlands ambassador to Argentina. [Excerpt] [Buenos Aires TELAM in Spanish 1613 GMT 25 Sep 86 PY]

AGREEMENT ON TOURISM SIGNED -- Today, Foreign Minister Dante Caputo and Foreign Affairs Secretary of Canada Joe Clark signed an agreement on tourism intended to facilitate the flow of tourists between Argentina and Canada. [Summary] [Buenos Aires TELAM in Spanish 1541 GMT 11 Sep 86 PY]

OIL PROSPECTING CONTRACT SIGNED -- The first oil prospecting contract under the Houston Plan was signed on 9 September with the EXXON (ESSO)-CHEVRON-CAPSA consortium. Under this contract the consortium will invest $15 million to search for oil in the Rawson Marina Basin during a 3-year period. Should the prospecting be successful, the contract could be extended for another 4-year period calling for an investment of $25 million. [Buenos Aires CLARIN in Spanish 10 Sep 86 p 20 PY]

FOREIGN MINISTER TO VISIT CUBA 1 OCTOBER

PY241905 La Paz La Red Panamericana in Spanish 1700 GMT 29 Sep 86

[Text] After attending the UN General Assembly in new York, the Bolivian foreign minister will go to Havana on 1 October. During his visit to Cuba, Bedregal will sign several bilateral agreements with the Cuban government, especially in the agricultural and technical areas.

POLICE INTELLIGENCE DIRECTOR FIRED

PY292336 Paris AFP in Spanish 1501 GMT 28 Sep 86

[Text] La Paz, 28 Sep (AFP) -- Roberto Roca, prefect of Santa Cruz Department in eastern Bolivia, has reported that Colonel Carlos Salomon Daza, director of the Bolivian Police intelligence section, and Police Agent Eduardo Gutierrez have been dismissed for their involvement in criminal activities.

The prefect, who is the top departmental official, reported that the Interior Ministry dismissed Salomon Daza because he received $50,000 from Franklin Perrogon and ordered Perrogon's release, although he had been charged with illegal possession of arms and drug trafficking. Roca added this action will enhance the discipline and honesty of officials who are in charge of criminal repression, especially of drug trafficking. He said it will also stop them from soiling the government's prestige, as occurs when they take advantage of their positions to engage in criminal activities. Roca concluded by saying these two officials have been placed at the disposal of the courts to be judged according to the law.

BANZER COMMENTS ON HUANCHACA CASE, LEAVES FOR PRC

PY291930 La Paz La Red Panamericana in Spanish 1700 GMT 29 Sep 86

[Text] Nationalist Democratic Action [ADN] leader Hugo Banzer Suarez has told Panamericana that his party will request that those responsible for the murder of scientist Noel Kempf Mercado be severely punished. He added that similar actions would be taken when the irregularities surrounding the airlifting of the Huanchaca victims are cleared up.

[Begin Banzer recording] Well, as we have said time and time again, we want an effective fight against drug traffickers. I hope we can learn a lesson from the tragic death of professor Noel Kempf. The uncovering of a drug ring operating in the country was announced by the congressional committee itself. I hope this committee will use its powers to clear up the drug trade situation in Bolivia and that the government and the courts will punish those guilty and responsible. [end recording]

Finally, Banzer Suarez commented on the Bolivian situation and voiced the ADN's concern over the government's social and [word indistinct] policy.

[Begin Banzer recording] [in progress] --- basically, the former one, because the economic policy has been strictly implemented and has yielded positive results. It has provoked, however, a major social crisis. We are greatly concerned about this. As we are outside the government, watching events through different a lens than those used by the government, we are able to grasp realities that pass unnoticed by government officials. [end recording]

Banzer made these exclusive remarks to Panamericana at the Viru Viru airport in Santa Cruz shortly before departing for the PRC and other Asian countries. Banzer was invited to visit these countries by several governments. Banzer promised to adequately represent his party, the ADN, abroad.

TWO TOP MINING LEADERS TENDER RESIGNATIONS

PY291954 La Paz La Red Panamericana in Spanish 1130 GMT 29 Sep 86

[Text] Members of the executive board of the Trade Union Federation of Bolivian Mineworkers [FSTMB] last night tendered their resignation to a congress of union leaders from 26 enterprises. These enterprises are part of the Bolivian Mining Corporation. The congress convened in La Paz on 27 September. Simon Reyes Rivera, executive secretary; and Filemon Escobar, secretary in charge of conflicts, have said they were tendering their irrevocable resignations to uphold their principles.

Escobar said the rejection of the agreement signed by the FSTMB with the government on 13 September reflects a lack of confidence in the FSTMB executive board. He added that morale was also brutally undermined by a ruthless campaign. Ninety percent of the FSTMB delegates totally rejected the agreement signed with the government on 13 September. Only the workers of Colquiri and the metalworkers of Oruro supported the agreement.

BRIEFS

EEC INVESTMENTS -- Caracas -- Bolivian businessmen have managed to persuade European businessmen to invest $15 million in Bolivian agriculture and livestock projects. Bolivian Government official Enrique Rivera announced this during the Andean-European businessmen's meeting in this city. Other countries and organizations have also granted credits to Bolivia, and the Andean Development Corporation has granted $6 million for a Santa Cruz cattle slaughterhouse and another million for the paper industry of Tarija. [Excerpts] [La Paz PRESENCIA in Spanish 17 Sep 86 p 1, 11 PY]

NEW FRENCH AMBASSADOR -- President Victor Paz Estenssoro yesterday received the credentials of the new French Ambassador to Bolivia Pierre Mutter who told him that his country intends to cooperate with the economic recovery plans of the Bolivian Government. [Summary] [La Paz EL DIARIO in Spanish 16 Aug 86 PY]

NEW AMBASSADOR TO PRC -- Beijing 12 Sep -- The first Bolivian Ambassador to the PRC Jorge Lema Patino, has presented his credentials to PRC Vice President Ulanhu Fu in the People's Great Palace of Beijing. [Excerpt] [La Paz PRESENCIA in Spanish 14 Sep 86 p 12 PY]

INFLATION RATE STATISTICS -- The Economic Policies Analysis Unit [Unidad de Analisis de Politicas Economicas] has researched the Bolivian economy and reported that the inflation rate only reached 11.8 percent over the last 5 months, that is, a 2.12 percent monthly rate of inflation. [Excerpts] [La Paz PRESENCIA in Spanish 15 Sep 86 p 1, 7 PY]

ITAMARATY DENIES SELLING CHEMICAL WEAPONS TO IRAQ

PY300140 Brasilia Domestic Service in Portuguese 2200 GMT 29 Sep 86

[Text] Itamaraty has denied that chemical weapons have been sold to Iraq. Acting Itamaraty spokesman Fernando Mello Barreto has denied that Brazil is one of the suppliers of the chemical weapons being used by the Iraqi Army in the war against Iran.

He added that Brazil does not produce or sell chemical weapons, and that the accusation made yesterday during a television program is absolutely groundless, especially when referring to Brazil. Mello Barreto added that the use of chemical weapons has been forbidden by the Geneva Convention, and that Brazil makes no comments on sales of weapons at the request of the purchasers. This same rule is followed by the other suppliers, he stated.

AIR FORCE TO BUY SECONDHAND FIGHTER AIRCRAFT

PY300049 Paris AFP in Spanish 1516 GMT 27 Sep 86

[Text] Brasilia, 27 Sep (AFP) -- Brazil will spend approximately $100 million to buy 31 secondhand fighter planes for its Air Force, it was revealed today in Brasilia. The decision was made during a meeting of the Brazilian Air Force (FAB) High Command. The purchase includes 25 U.S.-made F-5 fighters and 6 French Mirage Fighter-bombers.

The sources did not reveal from which countries the FAB will buy the aircraft. Apparently three countries have agreed to sell the used F-5's to the FAB: Saudi Arabia, South Korea, and Thailand. Regarding the Mirages, there are two proposals: one of them is bound to be French and the other comes from a Latin American country. The sources added that the FAB also intends to buy Buffalo and Hercules transport planes in a few months.

BRIEFS

COCAINE SEIZED AT AIRPORT -- Drug traffickers have forgotten a cocaine shipment at Galeao airport. The federal revenue office at the customhouse of the Rio de Janeiro international airport last Friday seized 8.5 kg of cocaine worth nearly 3.5 million cruzados. The cocaine was found inside a suitcase. All the passengers who last Friday came from Bolivia are being investigated. [Summary] [Brasilia Domestic Service in Portuguese 2200 GMT 23 Sep 86 PY]

BRAZILIAN NIOBIUM RESERVES -- The National Department of Mineral Production (DNPM) of the Mines and Energy Ministry has informed reporter Amundsen Limeira of FOLHA DE SAO PAULO that the Brazilian reserves of Niobium amount to 4.5 million tons, which is 80 percent of world's known reserves. This amount could be twice as large, according to a government report on findings, made in the northernmost region of Amazon State. The report is presumably being kept secret for strategic and economic reasons. [Summary] [Sao Paulo FOLHA DE SAO PAULO 27 Aug 86 p 23 PY]

NEW TELEPHONE SERVICE -- Communications Minister Antonio Carlos Magallaes will dedicate new communications channels with Cuba, Iran, India, the PRC, and Mozambique. Minister Magalhaes is expected to inaugurate the system with a telephone call to a high-ranking PRC authority in September 1986. [Text] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Aug 86 PY]

SOURCE DENIES FPMR INFORMATION ON PINOCHET CASE

PY292220 Santiago Domestic Service in Spanish 1030 GMT 29 Sep 86

[Text] A Chilean Government source has said that the recent statements by alleged spokesmen of the Manuel Rodriguez Patriotic Front [FPMR] on the attack against the president contain false information and that the objective is to hinder the investigations.

The source stated that if the information is really being provided by the FPMR, it is seeking propaganda objectives to hinder the investigations by supplying false information, particularly on the participation of Army personnel. The source added that another objective of these statements is to bolster the morale of the guerrillas, who obviously are concerned over the progress of the investigations into the attack against the president and into the arms caches that were discovered in August.

The government source said that the objective of these statements may also be to improve the FPMR's image before its leaders abroad and before those who have lowered their opinion of the FPMR in view of its defeats in the last few months, which have resulted in huge losses in money, arms, and affected the organizational level.

POLICE CHIEF SAYS PINOCHET ATTACKERS IDENTIFIED

PY292122 Santiago Domestic Service in Spanish 1030 GMT 29 Sep 86

[Text] The director general of the Investigative Police, General Fernando Paredes, has said that the investigation being conducted to capture the criminals who attacked President Pinochet is now proceeding faster because those involved in the attack have been identified.

Paredes said that police have the names of the members of the terrorist commando that ambushed the president on 7 September. He declined, however, to disclose their identities, because inquests must be kept secret. He said that their names will be announced as soon as they are detained. Paredes explained that an exception was made in the case of Cesar Bunster Aristia, whose name was disclosed because Bunster himself acted openly without fear of being recognized. Paredes also said that the operation to locate the terrorists is progressing well. Then he added: I am sure of it because many terrorists were involved in the attack. As soon as one is captured, the rest will also be arrested.

The Investigative Police director described the attack on President Pinochet as an unprecedented terrorist action. It is the first time, he added, that we have had to face an assassination attempt on a public figure, and we know it was plotted abroad. It had no Chilean characteristics, although the majority or all of the terrorists involved evidently are of Chilean origin. Paredes concluded by saying that many of the terrorists were probably trained in Cuba and Nicaragua.

FPMR MEMBERS, TERRORISTS ARRESTED IN SANTIAGO

PY292229 Santiago Domestic Service in Spanish 1030 GMT 29 Sep 86

[Text] Five subversives of the so-called (El Manque) cell of the Manuel Rodriguez Patriotic Front [FPMR] have been detained by the police. The Investigative Police have charged them with blowing up high-tension pylons in the Melipilla region.

The subversives are: Mario Enrique Santibanez Alarcon, Marco Antonio Salas Becerra, Juan Luis (Corquera Indo), Francisco Patricio Contreras, and Armando Antonio Irrazabal Corrales. The police have reported that Santibanez and Salas are FPMR members and that they had common criminals help them carry out their terrorist attacks. Santibanez and Salas, together with two other individuals who have fled, are accused of having carried out attacks that destroyed several high-tension pylons near Melipilla during days preceding the so-called peaceful protest demonstrations. The five detainees are charged with having dynamited a lamp post at the corner of Riquelme and Hurtado Streets, in Melipilla. They are also charged with having detonated a fragmentation grenade, locally known as a lanzametralla, near the lamp post, and with setting a booby trap for Carabineros personnel. The subversives are also accused of painting subversive slogans on public and private buildings, of handing out pamphlets, of starting forest fires, and of erecting barricades on streets.

Two terrorists have also been arrested by the security forces personnel in Puerto Montt. They are accused of belonging to the belligerent, armed faction of the Socialist Party and of carrying out a number of attacks and of sabotaging public utility services. They have been identified as Nelson Agustin Aramburu Soto and Jose Baudio Nahuel Caromoney.

The official report says that they organized a subversive group called the Revolutionary Liberation Front [Frente Revolucionario de Liberacion] that they later renamed the People in Arms [Pueblo en Armas], which is supposed to reinforce the activities of the proscribed Movement of the Revolutionary Left and the FPMR.

Swiss Want Aramburu Released

PY271808 Paris AFP in Spanish 1302 GMT 27 Sep 86

[Text] Zurich, 27 Sep (AFP) -- Nelson Aramburu Soto, 35, a photographer who has worked for the Swiss weekly Wochenzeitung since 1984, was arrested on 24 September by the Chilean Government according to a communique published here by the weekly on 26 September.

The same source added that the photographer is in Valdivia in a building that belongs to the Chilean secret Service (National Intelligence Center, CNI). He is being held along with two other people, Jose Nahuel Caromoney and Guido Alvarado Aguero. the weekly again made an appeal to the Chilean authorities requesting the release of these three people, recalling that a few weeks ago, a journalist working for Analisis disappeared and was found dead 2 days later.

Arms Seized From FPMR Member

PY292115 Santiago Domestic Service in Spanish 1030 GMT 29 Sep 86

[Text] Mario Gustavo Arancibia Soto, a 25-year-old member of the Manuel Rodriguez Patriotic Front, today will be placed at the disposal of Santiago's first judge advocate. Rancibia was detained by Investigative Police personnel of the Quinta Normal district. A large quantity of explosives was found in his possesion. The report states that among the explosives was a Soviet-made rocket similar to those used in the attack against the president of the Republic on 7 September. Nine grenades, a submachine gun clip with 16 cartridges, antiseptic masks, flashlights, and first aid equipment were also found in Arancibia's home.

The detained criminal is being held responsible for a bomb attack on 9 September that knocked down a lamp post on San Francisco Street. He has also been charged with continuously intimidating many residents of Quinta Normal and Pudahuel Districts whom he considered his political enemies, by sending them menacing anonymous messages. In addition, Arancibia is responsible for painting subversive slogans on walls.

SUPREME COURT RECONFIRMS TOP COMMUNIST'S ARREST

PY251919 Santiago Domestic Service in Spanish 1030 GMT 25 Sep 86

[Text] Oziel Nunez, a leader of the Popular Democratic Movement [MDP] and a Communist Party militant, must return to prison and face trial for violating the State Security Law. The five Supreme Court judges made this decision unanimously after receiving a complaint against the three judges of the Appellate Court who set Nunez free. Nunez is facing charges brought against him by the Interior Ministry of 19 July 1986 for having published an open letter from the Communist Party Central Committee in the 368th edition of the newspaper FORTIN MAPOCHO on 16 July. The letter was addressed to Lieutenant General Santiago Sinclair, deputy commander in chief of the Army.

Judge Arnoldo (Dreisec) was designated to hear the case, and on 22 July he ordered that Nunez be indicted for inciting the Armed Forces personnel to disobey their commanding officers and the president of the Republic. A few days later, on 28 July, Upper Court Judges Jose Canovas, Luis Correa, and Sergio Valenzuela repealed the indictment, considering there were no reasons for it, and so Nunez was unconditionally granted freedom. On 1 August, the Interior Ministry presented a complaint against the judges who repealed the indictment order, and the Supreme Court has decided that there are sufficient reasons to try Oziel Nunez, thus reconfirming the arrest order. This means that within the next few days Judge Arnoldo (Dreisec) will probably order the arrest of the Communist militant so he can be submitted to trial for violating the State Security Law.

AMBASSADOR TO ARGENTINA SAYS RELATIONS 'NORMAL'

PY300312 Santiago Domestic Service in Spanish 2300 GMT 29 Sep 86

[Text] Chilean Ambassador to Argentina Arturo Fontaine has described our country's diplomatic relations with Argentina as normal. The ambassador was recalled to Chile a week ago for consultations. Ambassador Fontaine made his comment after a meeting with Foreign Ministry officials. He stated:

[Begin Fontaine recording] The consultation period has ended, and although it may not seem so, relations are absolutely normal. What is happening is that the two countries have political differences, and we are seeking to (?overcome) these political differences. Chile's objective is to maintain our coexistence with Argentina and to achieve an economic relationship that will serve as an example for others. In this regard, an important Argentine delegation is due to arrive soon to prepare the forthcoming meeting of the joint commission. Thus, over the past few days we have made a thorough analysis of the objectives [passage indistinct]. [end recording]

Fontaine added that after his consultations with several Foreign Ministry officials, he is returning to his diplomatic post very optimistic. He will possibly leave for Argentina tomorrow.

MORE PATRIOTIC UNION COUNCILMEN FOUND MURDERED

In Caldas

PA251346 Bogota Television Service in Spanish 1730 GMT 24 Sep 86

[Text] Two more members of the Colombian Patriotic Union, UP, have been murdered, this time in Caldas, a few kilometers from Medellin. The persons killed are Fredonia Councilman Luis Angel Benitez, and a peasant, Isidro Bustamante. The bullet-marked bodies were found tied up.

In Antioquia

PA271912 Bogota Cadena Radial Super in Spanish 1730 GMT 27 Sep 86

[Text] Medellin -- Another member of the Patriotic Union was assassinated in Antioquia Department during the past few hours. His body is now being transported to Medellin. He was identified as (Dario Henao Torres), a councilman of Fredonia for a second consecutive term. His death brings to three the number of leaders of that political group who have been assassinated in the last few days.

ARMY FINDS M-19 ARSENAL IN BUCARAMANGA

PA291444 Bogota Television Service in Spanish 0100 GMT 29 Sep 86

[Report by Julio Moreno in Bucaramanga]

[Text] The National Army, through the CIAS [Intellignece Command Against Extortion and Kidnappings] has dealt one of the harshest blows ever in Bucaramanga to the subversive M-19 by seizing a huge arsenal of weapons and supplies. B-2 members of the 5th Brigade arrested four members of the guerrilla organization in an M-19 hideout in the Gaitan neighborhood of Bucaramanga. The army found more than 10,000 cartridges of various calibers, most of them Venezuelan-made; M-1 carbines; U.S.-made AR-15 rifles; communications equipment; Army and police uniforms; fragmentation grenades, chemical bombs; four gas masks; and a van, apparently used to transport kidnap victims to the places where they are held. The Army was able to carry out the operation in the general area of Bucaramanga and Nebrija after receiving information from a citizen who was going to be the victim of an 80-million-pesos extortion.

COMMUNISTS WANT TO DIVIDE ARMED FORCES

PA260102 Bogota EL TIEMPO in Spanish 21 Sep 86 pp 1 a, 8 a

[Text] The top leaders of the extreme left met at the beginning of September and studied and approved policies to be followed, including policies regarding the Colombian Armed Forces.

The closed-door meeting took place on 5 and 6 September in House No. 14-56 on 18th Street in Bogota. The meeting was attended by Gilberto Vieira, Jaime Pardo, and Carlos Enrique Cardona Henao (Braulio Herrera), among others. They discussed and approved the following aspects:

"There are conditions for dividing the military forces because it is becoming evident that there are two bands in the public order force, one sector directed by retired officers and another directed by those who are still in service.

"They agreed to prepare a document addressed only to the democratic and progressive sectors in the military. In that document those sectors will be asked to break with the reactionary and fascist sectors. The Patriotic Union [UP] will be in charge of circulating the communique amongst operational and tactical units."

The Central Executive Committee of the PCC-LS [not further identified] has proposed "convoking a mass movment to pressure the government and secure a change in the National Defense Ministry, and militants have been ordered to carry out all sorts of agitation to sercure this objective."

They considered t at "the battle against militarism has been practically won, and all that is needed is the change of the Defense Ministry by a civilian and a purge in the Armed Forces [sentence as published]. So far no sector has spoken against the proposal, on the contrary, there has been support for it."

It was unanimously agreed not to accept protection for PCC-LS and UP headquarters by National Police and other state security agents because they believe that coexistence and familiarity would make it easier for the enemy to harmfully infiltrate the revolutionary process. Therefore it was decided that armed self-defense units would be organized.

The latest edition of the communist weekly VOZ made evident a campaign to discredit the high military command. The weekly makes slanderous charges against retired and active generals.

VOZ, which some time has been attacking important men such as General Fernando Landazabal Reyes, is trying to provoke a confrontation among members of the Armed Forces.

Quite a few Colombian communist journalists writer for that weekly, which has dedicated a special edition to denigrate the military sector without reason.

VOZ is trying to create doubts about the reliability of several generals, including Military Forces Commander General Manuel Jaime Guerrero Paz, who is a target simply because he brought peace to the Cauca Valley.

The weekly refers to the case of Cali, where thanks to citizens' cooperation, the military forces were able to stop the advances of the guerrillas who wanted to create an independent republic in that rich Colombian region.

The leftist publication is also trying to revive the MAS [Death to Kidnappers] case in spite of the fact that the Colombian authorities, after a lengthy investigation, determined that the Armed Forces had nothing to do with that kind of group, and several military men were acquitted after having to face charges as a result of a similar campaign mounted by the communists in middle Magdalena.

The weekly mentions an alleged "clean-up operation" as a result of the death of several UP leaders and tries to involve the military in these deaths. The Popular Liberation Army, after declaring war on FARC, claimed credit for these deaths.

The weekly also mentions the possibility that the military forces could have acquired new arms when the truth is that the Army has not acquired any military marterial in the past 2 years because of its tight budget, part of which is dedicated to civilian-military works and development projects in regions suffering from violence, such as Middle Magdalena.

FINANCE MINISTER ON HIS DISMISSAL BY CONGRESS

PA290409 Quito Voz de los Andes in Spanish 1230 GMT 27 Sep 86

[Excerpts] After a long, uninterrupted session lasting almost 12 hours, the national congress last night ended the political trial against Finance and Public Credit Minister Alberto Dahik by issuing a declaration of guilt and censure and by calling for the minister's removal from office. Dahik was declared guilty, censured, and removed from office according to votes from the opposition progressive bloc, which has a legislative majority. [passage omitted]

After learning the results of the voting in the national congress, Finance and Public Credit Minister Alberto Dahik said in a radio and television network last night: I have proven my innocence and I have proven that as a public official, as a member of this government, as an economic adviser, as president of the Monetary Board, and as finance and public credit minister, I have always tried to act in favor of the Ecuadoran people and of the entire country. Dahik said that after going through this political trial, he was sure of having proven the truth and his innocence. Addressing the Ecuadoran people he said: You all know that history in time will give this political incident its just and correct interpretation.

MINISTER SAYS OPEC GUIDELINES TO BE FOLLOWED

PA291455 Quito Voz de los Andes in Spanish 1130 GMT 29 Sep 86

[Text] Fernando Santos, acting energy and mines minister, has said that Ecuador will continue to comply with OPEC's policy to lower production, which is aimed at eliminating the excess supply of crude in the market and raise prices.

He pointed out that OPEC has consolidated its real power to exert self-control and the influence that it still has over the international hydrocarbons market. Santos added that the cartel's production during the first half of September is lower than the ceiling of 14.8 million barrels established by the organization for September and October, which could be extended until the end of this year.

The strategy to be followed will be defined on 6 October, when OPEC ministers meet again in Geneva. They will try to establish new production limits that must be complied with by member countries. The new limits could be set at more than the current 16 million barrels per day. Iraq, which is involved in the reduction agreement, would also comply with the established limits.

ABDON SAGUIER'S BROTHER CRITICIZES COURTS

PY260206 Paris AFP in Spanish 1714 GMT 25 Sep 86

[Text] Asuncion, 25 Sep (AFP) -- Hermes Rafael Saguier today told AFP that the prosecution of his brother Miguel Abdon Saguier, one of the top leaders of the opposition to the regime of General Alfredo Stroessner, shows once again that the Paraguayan judicial branch is just an appendage of the dictatorship.

The opposition leader, a member of the outlawed Authentic Radical Liberal Party (PLRA), is being held incommunicado at Asuncion's Tacumbu prison. He went underground when the attorney general filed sedition charges against him.

Miguel Saguier told Judge Jose Ramirez Ramirez that he will not lend himself to the farce of a trial, because he believes that the judicial branch is a repressive organ which is subordinated to the government and which serves to justify the government's harassment of opposition members who jeopardize the stability of the regime. The judge immediately ordered his arrest.

Saguier's brother told AFP that the court has not respected trial deadlines and that it has refused to provide copies of case records to the detainee's relatives. He added that the judge has refused to meet Miguel Saguier's wife, Patricia Abente. Hermes Saguier called upon the U.S., Argentine, and Brazillian governments to pressure the Paraguayan regime to end injustice and force a democratic change before the government's increasing repression elicits a violent response from those who are oppressed.

BRIEFS

ETHER, ACETONE CARGO SEIZED -- Ponta Pora, Brazil -- Brazilian Narcotics Division police have seized a shipment of 10 200-litre containers of acetone and ether from a bus presumably going to the Amambay Department of Paraguay. No arrests were made during the operation. [Excerpts] [Asuncion EL DIARIO in Spanish 29 Aug 86 p 13 PY]

EXPORT RATE DROPS -- The Central Customs Office has reported that national export rate dropped by 39.6 percent during the first half of this year as compared to last year. Exports during the first half of 1986 totaled $51.5 million compared to $250.7 million worth of exports during the same period last year. [Excerpts] [Asuncion HOY in Spanish 2 Sep 86 p 11 PY]

CARTAGENA AGREEMENT BOARD MAKES INTERNAL CHANGES

PY261734 Paris AFP in Spanish 2304 GMT 25 Sep 86

[Text] Lima, 25 Sep (AFP) -- The Cartagena Agreement Board today announced in Lima an internal restructuring, and the reduction of its personnel by 20 percent. The Board, headquartered in Lima, today announced that the member countries' governments have been informed of this reform plan which includes a reduction of personnel, the suspension of services, the adjustment of the work program, and a budget reduction. The reform will become effective on 1 January 1987 and was compiled in accordance with recommendations made by the member governments to make their common organization more dynamic and productive.

Employment contracts have been terminated in the case of 6 foreign and 43 local officials who will receive all labor regulation benefits and preferential treatment, according to a document issued by the Board. The new system will feature three board members who will be charge of the basic management functions. The executive program has been reorganized to give more emphasis to the integration process. The board will have working departments in the areas of commerce, agriculture, industry, social and physical integration, and technology. As a management unit it will also have the institutionalized support of its Press, Public Relations, and Protocol Unit. According to the document, Andean television programs have been treated as a special project with the basic task of spreading the cultural, historic and natural heritage of the Andean peoples in order to intensify their participation in the integration process.

For the first time, the task of forward planning, which is entrusted to the Advanced Planning and Advisory Unit, and the task of supervising the work program and internal administration, which is entrusted to the director-secretary, appear on the organization chart, among other new functions. The board believes that, by meeting the request for reform, it has succeeded in forming a simplified and more rational internal organization. The document concluded by saying that the restructuring will contribute to the reduction of the Board's ordinary budget.

BRIEFS

GDP GROWTH RATE -- Lima, 29 Aug (AFP) -- The National Institute of Statistics [INE] has reported that the Peruvian GDP has grown 3.9 percent during the first half of this year in comparison with the same term last year. It also reported that all economic sectors have improved production, except for the mining sector which has dropped by 5.6 percent. The livestock and agriculture sector maintained a 0 percent rate, while the agricuture production dropped 1.5 percent and livestock rearing increased 4.5 percent [Text] [Paris AFP in Spanish 1302 GMT 29 Aug 86 PY]

IDP CREDIT GRANTED -- Lima, 9 Sep (AFP) -- Geronimo Cafferata, president of the State Industrial Bank, today reported here that the IDB will grant Peru a $160 million credit for industrial development projects. He said that the credit will be paid during the next 2 years. [Excerpts] [Paris AFP in Spanish 0059 GMT 10 Sep PY]

SANGUINETTI REGRETS REJECTION OF AMNESTY BILL

PY300109 Montevideo Radio Carve in Spanish 0000 GMT 30 Sep 86

[Text] The Senate decision does not represent a defeat for the government, but a defeat for the country, according to President Julio Maria Sanguinetti. Here is his statement:

[Begin Sanguinetti recording] We receive with regret the results obtained in the Senate. I believe that the votes cast by senators of the Broad Front and of the National Party together have marked a decision that many consider a defeat for the government, but I think that it represents rather a defeat for the country, a defeat for the cause of peace in the country.

I also think that it does not represent a complete defeat. We hope for new efforts for a reconciliation. We will continue fighting for it. With our proposal, we really thought that we were taking the country to a secure port, to the most secure place, and along the most secure path, avoiding risks and hoping that through a climate of reconciliation, the country could definitely establish its insititutions, without allowing confrontations among sectors of society separated by rancor, enmity, divisions, or the struggles they confronted in the past. Unfortunately, this solution has not been achieved. Of course, as always, this is a source of concern, but we will continue working, trying to find a solution that will reach the same objectives of peace through other means. [end recording]

BRIEFS

CONSUMER PRICE INDEX RATES -- The General Directorate of Statistics and Census has just reported that the National Consumer Price Index has increased 4.3 percent in August in relation to the previous month, and 44.06 percent since the beginning of the year. It has also reported that it increased 74.85 percent in the last 12 months. [Excerpt] [Montevideo Radio Carve in Spanish 0000 GMT 6 Sep 86 PY]

EXPORTS INCREASE -- Montevideo, 2 Sep (EFE) -- Economy Minister Ricardo Zerbino today reported that 1986 exports will surpass 1 billion dollars, compared with last year's exports which reached $850 million. He said that beef exports totaled 109.80 worth 106,592,903 during the first half of the present year. [Excerpts] [Madrid EFE in Spanish 0259 GMT 4 Sep 86 PY]

FISCAL SURPLUS REPORTED -- The National Treasury and General Accounting Office has reported that there was a fiscal surplus of 935.3 million pesos in the first half of 1986. This is the largest fiscal surplus recorded in the past 6 years. [Summary] [Montevideo EL DIA in Spanish 15 Sep 86 P 9 PY]

SOVIET AMBASSADOR REVIEWS RELATIONS, DISARMAMENT

FL250000 Mexico City NOTIMEX in Spanish 2235 GMT 24 Sep 86

[Text] Soviet Ambassador to Mexico Rostislav Sergeyev has said the Soviet Union supports Mexican President Miguel De la Madrid's efforts to obtain a long-lasting peace for the world and to relieve the threat of nuclear weapons.

During a press conference at the Soviet mission's headquarters, the Soviet representative stressed there is much agreement on the statements made at the United Nations by De la Madrid and Soviet Foreign Minister Eduard Shevardnadze demanding an end to the arms race. There is also agreement on the need to establish a basis prohibiting nuclear testing as well as removing the danger of a nuclear war which threatens life on this planet, he added.

During his statements to the national and international press, Sergeyev criticized the $100 million granted by Ronald Reagan's government to the Nicaraguan Contras saying this removes the possibility of a quick solution to the armed conflict in Central America. The Soviet ambassador stressed that the current leaders of the USSR are willing at any time to sign a treaty guaranteeing international security.

It is necessary to eliminate the dangers of living with a nuclear threat and to seek the road to detente and international cooperation, he stressed.

He also said Shevardnadze's visit to Mexico on 7 October will deepen the friendship between Mexico and the USSR since the two nations have had cordial relations since 1924. Sergeyev added that this visit may result in bilateral agreements, increasing trade between Mexico and the Soviet Union, especially in the areas of industry and technology. Currently, said the Soviet foreign minister, the trade balance is in Mexico's favor.

The foreign minister stressed that his country is willing to eliminate the obstacles and prepare a summit between Mikhail Gorbachev and Ronald Reagan which would have positive results, especially in nuclear arms reduction and prohibition of nuclear weapons in space.

In this respect, said Sergeyev, one should not gamble with hundreds of millions of lives which makes it imperative to remove the threat of a nuclear holocaust.

FINANCE SECRETARY SPEAKS AT IMF SESSION

PA291646 Mexico City Red Nacional 13 Imevision Television in Spanish 0130 GMT 29 Sep 86

[Phone relay from Washington by Claudio Guzman]

[Text] Mexico's private credit banks have not helped in finding a solution to the foreign debt problem, Finance Secretariat Gustavo Petricioli said today during his speech before members of the so-called IMF Interim Committee on the International Monetary System, which happens to be the IMF's most important committee.

The Mexican representative said the actions carried out by the commerical banks have not been consonant with their responsibility toward the foreign debt crisis. The deterioration experienced by the foreign sector during the past few days -- as well as the credit contraction in all foreign financial sources -- points to the need to establish urgent commitments from those who have not yet done so, he said.

Secretary Petricioli spoke during a work session in which the repercussions of the international trade conditions between the rich and developing countries were analyzed. The transfer of resources to industrialized countries as a result of the drop in the price of oil and other primary products has been huge, Petricioli said. He added: Lower inflation rates, as well as greater economic cooperation among the leading countries, has resulted in lower interest rates and an orderly adjustment of foreign exchange rates. However, it is disappointing to see that the rich countries have not taken advantage of those favorable circumstances for growth, he stressed. Therefore, it is necessary for the industrial countries to adopt more active policies in order to facilitate an economic and commerical growth more consonant with the current circumstances, he added.

Further on in his speech, Petricioli said that 4 years after the current debt strategy was implemented, and despite the costs involved in the adjustment process -- with very few exceptions -- the indebted countries have not managed to recover their economic growth. He warned that if no agreement is reached with Mexico, it would constitute a failure for the international financial community that would have unforeseeable consequences.

The conclusions reached tomorrow will be of great importance for Mexico as well as for the international financial community. International private banks will publicly announce their position tomorrow regarding Mexico's request for financial aid totalling $6 billion from those sources.

Meanwhile, here in Washington this afternoon, the World Bank granted a credit to the Mexican Government for $48 million to support our country's industrial technological development project, which has a total cost of $96 million. The agent in charge of the operation is the National Financial Corporation [Nacional Financiera] which has channeled 83 percent of the funds approved by the World Bank for Mexico. This is the third loan approved by the World Bank since July of this year, making a total of $700 million to support the industrial sector, the development of nontraditional exports, and economic growth programs.

Interviewed on Debt

OW251431 Tokyo NHK Television Network in Japanese 1200 GMT 25 Sep 86

[From the "News Center 9" program; interview with Mexican Secretary of Finance and Public Credit Gustavo Petricioli by Newscaster Ichiro Kimura, in Tokyo; interview conducted in English with Japanese subtitles; following provided from the English -- recorded]

[Text] [Kimura] Your excellency, I understand Mexico is asking creditors to defer credit and [to take] other measures to ease debt problems. But, this is actually the second time Mexico is asking a concession from the creditors. Will this be the last time?

[Petricioli] Well, really I don't know. What I can say is that many greater countries have a debt problem and from our point of view the solution of the debt problem all over the world is just [changes thought], the only way to tackle this problem is with the cooperation of all the parties. Mexico has been hit by the so-called oil crisis; I mean the drop of $8 billion in the income of Mexico during this year.

[Kimura] I understand, your excellency, your problem, but I understand also that you are asking, or negotiating a fresh loan, $6 billion I understand. But don't you think it will just create a vicious snowball effect and make Mexico more difficult?

[Petricioli] No. It all depends on how we are going to use this money, this new money. This new money is going to put us in the condition to continue servicing our debt in the near future. And we are not asking just for credits, we are trying to get in Mexico more foreign investment in order to increase our capacity to produce and, in that way, to pay our debts.

[Kimura] Maybe it's relating to just what you said. If I am not mistaken, I understand you said that the creditor countries also should bear responsibility, as well as the debtor countries, to solve the problem. But it's very hard for us to understand this logic. Are you saying that: Hey, if you want your money back, you just figure out the way you can get the money back?

[Petricioli] Well, this is a way to put it, but in truth it's that without these external resources, without increasing our capacity to grow, to produce; it's very difficult, if not impossible to pay our debts. And, if we don't have these external resources to increase this capacity to export and to make the basic changes in our economy, there is going to be a moment that we are going to stop paying, I mean to get in default, and it's going to be worse for everybody, for all the parties.

[Kimura] Well, I'm sorry to push you into a corner maybe, but in this country until some hundred years ago, if you couldn't pay a debt you had to commit hara-kiri. (laughter) I'm not asking you to commit hara-kiri, but maybe you can slice off a bit of fat off of the excess fat, out of your economy, maybe in administration. You said you have an austerity plan, is it working all right?

[Petricioli] Yes, it's working all right. But as you know, there is a limit to austerity, a political limit, social limit, economic limit, and you know you cannot go further than that.

[Kimura] At the very beginning you said you cannot tell the future, but, lastly, can you deny any possibility of Mexico announcing a moratorium?

[Petricioli] Well, I hope and I think it's to the benefit of everybody not to do it. And I hope that we are going to negotiate with all the parties, with wisdom, to avoid this possibility. And I think it's not a good idea to push us too hard in order not to have a single money to pay.

[Kimura] Well, I appreciate your excellency for being with us, thank you very much [preceding phrase in Spanish].

[Petricioli -- in Spanish] Don't mention it.

DE LA MADRID COUSIN INVESTIGATED ON DRUG CHARGES

PA291820 Mexico City EXCELSIOR in Spanish 26 Sep 86 pp 4a, 28a

[Article by Rafael Medina Cruz]

[Excerpt] Yesterday, Jose Maria Ortega Padilla, general supervisor of the Technical and Criminal Services of the attorney general of the Republic, said Mexican President Miguel De la Madrid Hurtado had instructed that agency to punish those who break the law "regardless of their names or surnames."

Ortega Padilla has been commissioned to handle the investigation regarding cocaine trafficking charges against Edmundo De la Madrid Ochoa, the president's first cousin.

During a press conference, Ortega Padilla said that Edmundo De la Madrid Ochoa has given statements to authorities on two occasions, and had flatly denied the charges against him by his former chauffer, Jacquies Denise Derive.

Jose Maria Ortega said that as evidence "the matter has been thoroughly investigated to date, seven persons have given statements and today, two more will give statements." Although the names of the persons summoned to go before the authorities were not revealed, he said "they have all been located, and are available to the Federal Judicial Police for further statements."

The official commissioned by the attorney general to provide more details to the news media on the continuing investigation, stated: "We are not trying to change anything. We are looking for the facts, what really happened. We have orders from President De la Madrid to apply the law to all criminals no matter what their last names may be."

He stated the investigation has not only been conducted outside the country, but in the Republic as well. So far nothing has been found. We do not have any element that would make us think that Edmundo De la Madrid Ochoa is guilty of or the partner of any crime against health [algun delito contra la salud]. [no quotation marks as published]

"However, as the attorney general stated, the investigation has not yet ended, and we cannot make a final ruling," Ortega Padilla explained. [passage omitted]

DEFENSE FORCES COMMUNIQUE ON U.S. RESOLUTION

PA290311 Panama City Television Service in Spanish 1530 GMT 28 Sep 86

[Communique issued by the Panamanian Defense Forces published in the General Order of the Day dated 26 September]

[Text] This is an institutional communique for the information of all chiefs, officers, noncommissioned officers, and troops regarding dispatches from Washington saying that a large number of U.S. senators outrageously advocated instructing the CIA to investigate the Panamanian Defense Forces in accordance with a provision sponsored by the retrograde Senator Jesse Helms. Regarding this position harmful to Panama's sovereignty, we feel it necessary to express our firm determination to reject this and any other attempt by Senator Helms and some of his fellow senators -- who have let themselves be led or tricked by him -- at openly and cynically promoting detestable interventionistic practices that all of the world's civilized peoples have ruled out for the progress of international law and the strengthening of independence and sovereignty of all Latin American states.

In addition, this senator's malevolent insistence on sowing discord -- which could mar the excellent friendly and cooperative relations between the two governments -- is highly suspect. These relations occur in the political, economic, cultural, military, and mutual security fields and have been especially excellent since the Torrijos-Carter Treaties came into force and considering the arrival of the year 2000. This is all the more worrisome now that the Panamanian president and his official retinue have presented at the United Nations General Assembly a message of national dignity and have succeeded in making specific progress in Panamanian-U.S. bilateral relations.

This U.S. stance -- which reminds us of the times of the Big Stick policy -- contrasts with the remarkably positive, highly professional, and efficient cooperation between the two countries' armed forces in the legal fulfillment of the Good Faith Accords in the Torrijos-Carter Treaties to jointly guarantee -- until 31 December 1999 -- the defense, protection, and security of the Panama Canal so that all of the countries of the world can use it. The good U.S.-Panamanian relations must be based on the fundamental principle of mutual respect.

It is an undeniable historical fact that -- since 1903 -- several generations of Panamanians had to struggle tirelessly to wrench from the United States some measure of respect for Panama's sovereignty and independence. The period of this heroic struggle by our people -- in which Panamanians distinguished themselves -- could only be completed since 11 October 1968, when the Panamanian Defense Forces made up their minds to join this struggle for the recovery of national dignity. Our people are well aware their Defense Forces will never abandon the Panamanian people's genuine interests, which are also those of the men in uniform.

All for the Fatherland.

[Signed] General Manuel Antonio Noriega, Commander in Chief
Colonel Roberto Diaz Herrera Chief of the General Staff
Colonel Marcos Justines Fernandez, Deputy Chief and G-4 of the General Staff
Colonel Angel Mina Justiniani, Director of Economic Services
Colonel Elias Castillo Figueroa, G-3 of the General Staff
Colonel Leonidas Macias D., Chief of the Police
Colonel Alberto Purcell D., G-5 of the General Staff
Colonel Bernardo Barrera, G-2 of the General Staff

Lieutenant Colonel Ricardo Garibaldo F., G-1 of the General Staff
Lieutenant Colonel Rogelio Alba D., Chief of the Joint Committee of the Defense and Security Commission's General Command
Lieutenant Colonel Julio Ow Young, Chief of the Jose Domingo Espinar General Fort
Lieutenant Colonel Lorenzo Purcell, Chief of the Panamanian Air Force
Lieutenant Colonel Eros Ramiro Cal, Inspector General of the Defense Forces
Lieutenant Colonel Eugenio Corro V., Chief of the War Material Service
Lieutenant Colonel Jose Santos Motta, Military Attache to the Inter-American Defense Board in Washington
Lieutenant Colonel Erick R. Aguilera, National Director of the prison system
Lieutenant Colonel Eduardo Herrera, Military Attache to Israel
Lieutenant Colonel Alfredo H. Remon, Military Attache to Colombia
Lieutenant Colonel Guillermo J. Wong, Chief of the Joint Board of the Defense and Security Commission's General Command
Lieutenant Colonel Theodore Alexander, Chief of the Adjutant General's Office
Commander [Capitan de Fragata] Roberto Armijo, Chief of the Navy
Panama City, 26 September 1986

Hunger Strike at U.S. Embassy

PA291814 Panama City Circuito RPC Television in Spanish 1738 GMT 29 Sep 86

[Text] Democratic Revolutionary Party [PRD] legislator Luis Gomez began a hunger strike this morning. He is staging the hunger strike in front of the U.S. Embassy, where he is protesting against U.S. intervention in domestic affairs. Legislator Gomez said:

[Begin Gomez recording] We hope that this afternoon the Legislative Assembly will apporove one of our demands. We are demanding that the assembly condemn the U.S. Congress' interference, that the assembly denounce this interference in our domestic affairs. [end recording]

Asked about the Legislative Assembly's lack of initiative in carrying out an investigation into charges that have appeared in U.S. newspapers, Gomez said:

[Begin recording] [Gomez] We have always denounced these actions before the Legislative Assembly. I am chairman of the Assembly's Foreign Affairs Commission, and this is the first time that a member of the Legislative Assembly, and chairman of such an important commission adopts this type of action. Many of us have repudiated -- before the Legislative Assembly -- all violations to Panamanian rights and all interference on the part of the U.S. Congress in our domestic matters.

[Reporter] Why did you wait for the U.S. Congress to make these charges? Why did the Legislative Assembly fail to look into these charges?

[Gomez] The Legislative Assembly is definitely made up of government and opposition deputies. As long as we do not achieve internal unity, we will not be able to approve anything. There is a Panamanian saying: A single bird does not make it spring. I feel that this action will help other Panamanians and other deputies support our decision. [end recording]

Legislator Rejects Statement

PA291730 Panama City LA PRENSA in Spanish 29 Sep 86 p 26-A

[Text] [Opposition legislator] Guillermo Cochez Jr has said Colonel Roberto Diaz Herrera has forgotten who is allowing the United States to meddle in Panama's internal affairs. Cochez was referring to Diaz Herrera's remarks, on behalf of the Panamanian Defense Forces [FDP], that rejected U.S. meddling in Panama "because we have historically overcome it." Diaz Herrera was speaking in light of the recent U.S. Senate decision to ask the CIA to investigate whether the Panamanian military is involved in drug trafficking and violations of human rights.

Cochez added that Col Diaz Herrera forgot the sort of carte blanche granted to DEA officials by the FDP -- in violation of the constitutional right to mail privacy -- to open and examine without any legal authorization the correspondence and documents of banks established in Panama to detect any transactions linked to money-laundering. These agreements between the FDP and DEA are made behind the backs of the proper authorities.

Cochez said that Col Diaz Herrera also forgot that in order to prevent the United States from promoting the publication of new evidence regarding FDP'S illegal activities, the nation's attorney general was sent to Washington to secure approval for a draft bill to repress drug trafficking. This situation ressembles that of the republic's early years when our leaders had to consult about everything in the U.S. capital.

Finally, the Christian Democratic legistator added that Col Diaz also forgot about all the help given to U.S. soldiers -- in their installations here, behind the backs of the people -- to do whatever they please. This was confirmed by Mr Nestor Sanchez in an article published in THE NEW YORK TIMES on 12 June, which stated that the current Panamanian military leaders are allowing gringo military operations in Panama that others would hardly allow if they were commanding the FDP.

Cochez pointed out that Col Diaz Herrera -- using the Marxist rhetoric displayed by Eng J. Isabel Blandon [director of the Institute of Hydraulic Resources and Electrification] in the "Face to Face" program on Channel 2 Television, said that the United States is fully responsible for drug trafficking because it is the main consumer of drugs; he even told the great lie that "drug consumption is not a problem in Panama." What country is Roberto Diaz Herrera living in? In the country described by Jose Isabel Blandon in the much-commented-on television program? In the rest of Panama -- the one known by most Panamanians -- drug-related problems do exist everywhere; in many cases, under the auspices of authorities tasked with repressing them.

Finally, Cochez said the FDP lacks the authority to censure U.S. meddling in Panama because they themselves -- in order to safeguard personal interests -- are the first to promote and tolerate such meddling. Words are not enough to become a genuinely independent country; our leaders must demonstrate their efforts with deeds. This will only be possible when the FDP becomes a professional institution under the jurisdiction of the executive, and ceases to intervene in partisan politics, as is specified in our Constitution.

Student Beaten by Defense Forces

PA271602 Panama City LA PRENSA in Spanish 27 Sep 86 p 16-A

[By Jose Quintero de Leon]

[Text] Cristobal "Billy" Arboleda, a student at the University of Panama's Law School, was admitted yesterday to the Bella Vista Medical Center on Peru Avenue. Arboleda's condition was described as critical. Arboleda was severely beaten by members of the National Defense Forces after he was arrested for participating in the peaceful occupation of the Social Security Fund offices.

Arboleda was taken to the National Defense Forces headquarters after he and other Artes y Oficios, Abel, Bravo, Colon Technical and Professional Institute, and Colon night school students were arrested for protesting against the imminent amendments to the Social Security Law.

According to his statements, after being taken to the National Defense Forces headquarters, he received a second beating. Arboleda was rescued by University of Panama Rector Ceferino Sanchez and admitted to the Bella Vista Medical Center by Dr Octavio Souza, deputy academic rector at the University of Panama.

LA PRENSA learned that Arboleda was examined by Dr Alberto de Sedas and he was found to have many bruises and a cut on his head, bruises on his chest, a possible ruptured spleen, and multiple bruises on his arms and legs. His present condition was described as "stable."

DELVALLE ON CANAL DISCUSSIONS WITH SHULTZ

PA291900 Panama City Circuito RPC Television in Spanish 1941 GMT 29 Sep 86

[Text] Upon his return from New York, President Eric Arturo Delvalle was met at the Omar Torrijos Herrera International Airport by Lieutenant Colonel Julio Owyoung and Lieutenant Colonel Roberto Armijo, members of the Panamanian National Defense Force general staff. Delvalle was accompanied by his wife, Mariela Diaz de Delvalle. He was also greeted by several ministers, director of autonomous institutions, friends, family and UNADE [National Democratic Union] members.

During his stay in New York, Delvalle had a heavy schedule. He spoke before the 41st UN General Assembly. The following is an excerpt of Delvalle's news conference upon his return to Panama City.

[Begin Delvalle recording] Regarding the constant protests presented by Panama, Secretary of State Shultz said that they feel they are respecting the treaties. However, he did admit there are some laws -- like Law 96-70 -- that have hindered the treaties. This has not just happened in Panama, but in other countries where such laws have hindered bilateral treaties with the United States. He has admitted that Panama may be right. He has not viewed the situation personally.

He has been told the treaties are being respected. I told him that I was pretty sure the spirit of the Torrijos-Carter Treaties was not being respected and that I would send him a very brief and concise summary for him to read and realize there are some problems that could hinder a smooth, effective, and orderly transition such as the one the Panama Canal needs because of its importance. We are optimistic Panama's demands will be heard and that from now on, matters involving the Canal will improve. [end recording]

STRONG STAND ON DEBT TAKEN AT GOVERNORS MEETING

PA241902 Panama City LA REPUBLICA in Spanish 24 Sep 86 p 4

[Editorial: "Panama's Position"]

[Text] Yesterday, Panama took a surprisingly strong stand at the meeting of Latin America, Spanish, and Philippine [central bank] governors. It proposed that all Spanish-speaking countries unite in order to promote and launch a movement to demand that the IMF and the World Bank help solve the region's foreign debt problem like private banks do.

[Panamanian Planning Minister Ricaurte] Vasquez said that an adequate program for a successful handling of financing would be worthless and that there would be no sense in asking for loans from private banks to make payments to international official banks.

The motion of the planning and economic policy minister was seconded by another participant and all countries attending the meeting are expected to support it by consensus because they are convinced that pursuing the policies recommended by the IMF and the World Bank will lead to famine in the debtor countries and, in turn, to violent social changes.

The speakers indicated that a majority on the [IMF and World Bank] Board favors an increase in the capital of the institution representing the IBRD [International Bank for Reconstruction and Development] and that any questioning of this could be taken by the debtor countries as an indication the United States is turning its back on its own commitment with regard to the Baker Plan.

The statements made by Vasquez and the speeches of the IMF and World Bank representatives demonstrated that the debtors and the lending institutions hold opposed views. These positions are bound to clash at the upcoming board meeting in Washington.

It was underscored that the collapse in the prices of oil and raw materials of the debtor countries has been a decisive factor in the current situation.

COSTA RICA

ARIAS, MADRIGAL HOLD NEWS CONFERENCE ON UN TALKS

PA292315 San Jose Radio Reloj in Spanish 0234 GMT 29 Sep 86

[News conference with Costa Rican President Oscar Arias Sanchez and Foreign Minister Rodrigo Madrigal Nieto at San Jose's Juan Santamaria International Airport upon arrival of the Costa Rican delegation from the UN General Assembly in New York -- live, broadcast in progress].

[Text] [President Arias] ... this opportunity to thank the Costa Rican people, the organizers of this welcome, but especially, as I said earlier, the youths, the young people of Costa Rica, the students who are here today, for this warm, friendly welcome.

I am very happy and proud of this week's activities [words indistinct]. After 6 years during which no Costa Rican head of state appeared before the world's most important forum, we had the opportunity to set forth before the world our position on various issues, our concerns, and the possible solutions that the Costa Rican Government and people see to various problems and challenges, particularly the position on Central America, which as you know, was set forth in ample detail. We also presented our position on the main problems being faced by developing countries like Costa Rica, especially the foreign debt, which is undoubtedly the main obstacle to these countries achieving faster development over the next several decades.

I met with various heads of state who were there, including President Delvalle of Panama and Corazon Aquino of the Philippines. I met with foreign ministers and ambassadors -- particularly with the foreign ministers of the European countries -- including those of Great Britain, Italy, France, Belgium, and Spain. I also met with the U.S. Secretary of State, King Juan Carlos, and many others.

I believe our address was very well received. Many countries identify with the values defended by Costa Rica. [Words indistinct] as a Costa Rican, that the world understands [words indistinct] efforts of many generations of Costa Ricans to live amid democracy, peace, and freedom.

I suppose there are many questions you want to ask. Mr Madrigal will also brief you on his impressions of the New York visit. [Words indistinct] to promote investments in our country. We met with businessmen who may have investment interests in Costa Rica. I will be glad to answer your questions.

[Reporter] [Question Indistinct]

[Arias] I was asked the same question by [words indistinct] in New York. My answer was that I had not met with President Reagan for the same reason I did not go to see the Yankees play against the Dodgers -- simply because that was not the purpose of my trip. I went to the United Nations to present the Costa Rican position to that forum and not see President Reagon. He had been invited to a luncheon offered by the UN general secretary [words indistinct] for his security, he decided not to attend. [words indistinct] none of the presidents or the chiefs of state were able to see him.

[Reporter] [Question indistinct]

[Arias] I do not know. We all know they are now basically working on the campaign, as elections will be held in November. [Words indistinct]

[Reporter] [Question indistinct]

[Arias] We have, as you are aware [words indistinct] one of them is the negotiations with the IMF [words indistinct] on some of the conditions established by them. I suggest Costa Rica reach an agreement as soon as possible, but I am fully aware we cannot sign or accept something that we will be unable to comply with. Therefore, [words indistinct] is that we want to be totally sure we will be able to comply with whatever we sign, within the terms of the agreement. Another important struggle will be the renegotiation of the foreign debt. You are aware there is a very good group, a group of Costa Ricans headed by Minister Rohrmoser [words indistinct] and a group that knows the problems. This group has been carrying out negotiations and is in New York City at this moment -- in the first round of negotiation with the international private banks, with our creditors -- to negotiate [words indistinct]. We have decided to present the Costa Rican proposal on 27 October; thus, it will not be until that date that we will learn of our creditors' response.

If you do not have any more questions, I would like to ask Rodrigo Madrigal to address you.

[Announcer] Foreign Minister Rodrigo Madrigal Nieto will now address you.

[Madrigal Nieto] [Words indistinct] and my greeting to the Costa Rican people. I truly believe the journey we have just completed to New York has been a very important one, and each coming journey may be even more important because there will be new links in the chain of international policy we want to implement. In addition to the favorable reception given to the president's speech at the UN General Assembly -- which has been widely commented upon -- I could say, with no fears to be wrong, that facts like the reestablishment of our relations with Morocco, the contacts with other Arab nations, the relations with the chiefs of state and the foreign ministers -- to which Oscar [Arias] referred to -- are important talks. For example, our talks with foreign ministers -- like the German and Belgian foreign ministers -- and with the secretaries of state have been the most involved and honest [words indistinct] which have produced a fruitful result for Costa Rica and also strengthened our position abroad. I have no doubts that the circumstances that fomerly prevailed -- very unfavorable to Costa Rica -- are beginning to clear up.

Obviously, to reach an in-depth action -- as the one we require for the defense of the country, a country experiencing moments of serious distress, proud of not having an army -- it is necessary to create a true diplomatic trench, a foreign service, that will become the [words indistinct] in the defense of the country, because our role -- as we manifested at the UN -- is an intelligence role, as allies of democracy and defenders of peace. This is an agreement with our neutrality.

Therefore, what we accomplished during this tour were new steps toward our political goal, which fulfill our ideals to be true negotiators of peace and democracy.

Thus, even if the government calls a news conference at the Foreign Ministry to provide further details on the talks I had with [Belgian Foreign Minister Leo] Tindemans, [FRG Foreign Minister Hans-Dietrich] Genscher, [Israeli Foreign Minister Yitzhak] Shamir, etc. -- these are, of course, details concerning foreign policy. I wanted to underscore the immense importance of the president's speech at the UN Assembly. Moreover, we were very pleased with a meeting we had with Cardinal O'Connor from New York, who identifies with our position. In fact, I would say he is a follower of the Costa Rican thesis. We informally invited him, and in the next few days the president will extend a formal invitation to him to visit us. We are sure that with this action, we are consolidating an important trend in favor of the thesis we have prepared.

However, I do believe that the reporters should be aware -- so that they can convey this to the people -- of the immense importance the reorganization of the Foreign Ministry will have for us. It will also be important to keep an excellent foreign service, dynamic, active, intelligent, and capable of participating in many forums, because our security and progress in international matters will depend on that. Do you have any questions? This is what I can comment on for the moment.

[Reporter] We were told that during the meeting between (?the president) and Mr Shultz, disagreements between Costa Rica and the United States regarding policy in Central America were reported. Do you have any information about this?

[Madrigal Nieto] I feel that to speak about disagreements with Mr Shultz is like comparing the insignificant to the magnificent. In truth, what occurred was a recognition by Mr Shultz. I do not think I am indiscreet by reporting that Mr Shultz said he felt great respect for Costa Rica's views because this country's foreign policy was being handled by courageous, responsible, and intelligent people. He also said that for this reason, he acknowledged the country's total autonomy. This indicates there are only minor disagreements, if any, just as there have been at other times. Quite the contrary, I think the United States sees us as very firm allies of the cause of democracy, unquestionable fosterers of peace, and very sincere friends of the United States. With the independence and sovereignty that mark a free and democratic country, we want to (?help) the United States according to the way in which we feel any policy in Central America should be handled.

[Reporter] When you speak about (?backing) the Foreign Ministry, do you mean a more sophisticated policy or the increase in the number of employees?

[Madrigal Nieto] We are not too interested in the increase of personnel per se. However, as we attend forums such as the United Nations, we become more and more convinced there are still some geographical areas that the country has not yet covered, that we must join some associations, some groups, where we could present our views with intelligence and courage so that Costa Rica's democratic profile can be well known. [applause]

EL SALVADOR

DUARTE CONDEMNS CONTADORA GROUP, MEXICO

PA282001 Hamburg DPA in Spanish 1848 GMT 28 Sep 86

[Text] Mexico City, 28 Sep (DPA) -- Salvadoran President Jose Napoleon Duarte has told a Mexican newspaper that the Contadora Group turned its "good offices" into "interventionism."

In statements to UNOMASUNO released today, Duarte also said that Mexico, a promoter of the people's self-determination principle through the so-called Estrada Doctrine, "is now promoting interventionism." However, Duarte stressed that "despite being an interventionist group that wants to impose the 21 points of the peace document, we agree with Contadora as long as there is control and verification of each and every aspect involved in the document, including the military aspects."

During the interview, Duarte discounted the importance of the group formed by Colombia, Mexico, Panama, and Venezuela because he thinks that its work is "interference" in the internal affairs of the Central American countries. "For me, the theory that four nations can make decisions on the destiny of the five Central American ones remains erroneous," Duarte said.

Duarte expecially criticized the Mexican Government. He said that in every meeting at the United Nations, "Mexico presents initiatives promoting statements against El Salvador." "Due to those attitudes, the countries of the area are unwilling to support Contadora," Duarte said.

As an alternative, Duarte suggested the possibility of a presidential meeting like the ones held last May, in Esquipulas, Guatemala. "The plan that we proposed ourselves includes presidential summits and the Central America parliament which are to be included in the process to begin reaching agreements," Duarte said.

HONDURAS

PRESIDENT SAYS ARMY CHANGES 'NOT IMPORTANT'

PA291637 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 29 Sep 86

[Text] Honduran President Jose Azcona yesterday said the changes within the Armed Forces are internal changes and are not important. General Humberto Regalado Hernandez informed the president on Saturday of the internal problems developing within the Armed Forces. The following is a report by Jose Domingo Flores:

[Begin recording] [Flores] Voz de Honduras called President Jose Azcona immediately after the Armed Forces communique was released. Among other things, the communique states: As of today, General Humberto Regalado Hernandez, chief of the Honduran Armed Forces, temporarily assumes the command of the Army. Voz de Honduras was able to learn the president's views regarding this reshuffling within the Honduran Armed Forces. The president said:

[Azcona] As I have already said, this does not worry me because it is the right of the Armed Forces chief to do this. It was done and the Honduran people should remain calm. It was an internal reshuffle within the Armed Forces. The chief not only orders this reshuffle, but also discusses it with the Armed Forces Supreme Council. This does not worry me. On Monday, I will speak to General Regalado Hernandez and he will report on the changes made. However, I do not feel that it is a problem. Proof of this is that I was in Comayagua and only returned about 60 or 90 minutes ago. Therefore, this does not involve the government, and the Honduran people must remain calm. These things happen in all institutions. There are always changes being made.

[Flores] Did General Regalado Hernandez give you any reason for this reshuffle?

[Azcona] As I have already said, General Regalado Hernandez and I will meet tomorrow. He did not wish to go into details last night and I told him that there was no hurry. We will meet tomorrow in my office, and after that, I will report to the country on what happened.

[Flores] Mr President, what will happen to those who have been discharged?

[Azcona] I can give you no information at this time. As I have already said, I must first hear the report. Because of the serious nature of this situation, I do not wish to speculate. I do not have all the information. I have been receiving reports since yesterday, and tomorrow I will meet with General Regalado Hernandez and get more information. [end recording]

Armed Forces Changes Reviewed

PA291915 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 29 Sep 86

[Station commentary]

[Text] The biggest news in the last few hours is undoubtedly the surprising announcement that General Humberto Regalado Hernandez, commander of the Armed Forces, has taken over the general command of the Honduran Army. Until Saturday, the Army commander was Colonel Guillermo Thuman Cordon, one of the most experienced officers of the Armed Forces, who, among other posts, had served as chief of the general staff.

The press bulletin containing the announcement does not mention Col Cordon's name, so it is not known which military post this senior officer has been assigned to. After stating that the measure is temporary, the communique stressed unity within the Armed Forces is absolute and the Armed Forces remain loyal to the Constitution and the democratic principles of the republic.

Because the Armed Forces comprise an institution whose influence is decisive in the country's political life, the press department of Radio America must comment on the changes. Ever since the first reorganization in the higher ranks of the Armed Forces took place 11 years ago -- leading to the now defunct Movement of Young Officers -- we have begun to get accustomed to these kinds of abrupt changes in the military institution.

The many actions of this nature, which have been going on for more than a decade, lead us to conclude -- without being guilty of speculation -- that the unexpected removal of Col Thuman Cordon as commander of the Army cannot be considered a routine change as stated by the Armed Forces bulletin. This decision, which one assumes is the result of a consensus by the officers who comprise the Senior Council of the Armed Forces, is a clear demonstration that the struggle for power within the institution -- far from decreasing -- has obviously intensified now that we are exactly 4 months away from the change in the commander of the Armed Forces.

The decision also indicates -- contrary to what the public believed -- the crisis that took place in the Armed Forces after the departure of General Walter Lopez Reyes a few months ago, has not been overcome. The problem had just been kept in a dormant state. Now, with the removal of Thuman Cordon as the second most important officer in the military structure, this silent struggle has again come to the forefront and is leading to concrete actions which are played down by being termed routine changes.

Everyone knows that on 27 January, a new officer must take over as commander in chief of the Armed Forces and that Gen Regalado Hernandez is just concluding the 5-year term that General Gustavo Alvarez Martinez began in January 1982. In different sectors of the country, it was an open secret that Col Thuman Cordon's appointment as new commander of the Armed Forces was imminent. For many, this was already a foregone conclusion, and at least publicly, there were no signs pointing to the contrary.

Nevertheless, the Honduran military leadership is a box of surprises. Everything indicates that the balance of forces in the Senior Council of the Armed Forces is favorable to a group or an alliance of groups that are not sympathetic to the former Army commander. It also seems evident that on this occasion, the struggle is not between two different branches of the Armed Forces because both Regalado Hernandez and Thuman Cordon come from the Army. Regarding their philosophy, some in the high-ranking circles of the Armed Forces say that Regalado Hernandez and Thuman Cordon are orthodox, but they also stress the marked radicalism of the former. In any case, it is felt the problem is not due to ideological reasons.

It cannot be ruled out that the removal of Col Thuman Cordon as Army commander was influenced by the scandal between Colonels Wilfredo Sanchez and Roberto Nunez Montes and Rodolfo Zelaya, also known as "Clear Night" (Noche Clara) a Callejas sector deputy [of the National Party] who is now in voluntary exile. Although it is true that after the incident was investigated, Col Nunez Montes was confirmed as head of military intelligence, it must be stressed that Col Sanchez was removed as commander of the Public Security Force. Col Thuman Cordon is blamed to a great extent for the latter decision. The new functions that Col Sanchez will be assigned to will permit one to see how important that incident was in terms of Col Thuman Cordon's removal.

If one foucses on the controversial topic of U.S. economic aid to the Nicaraguan Contras and its probable relationship with the case, it is necessary to recall that the high command has angrily and with clear indignation reacted to reports in this regard which have been published abroad.

In short, in view of the previous analysis, there might be several reasons for the removal of the Honduran Army commander. However, whatever the reason, the removal of Thuman Cordon brings again to the foreground the crisis in January following the resignation of Gen Walter Lopez. There is no doubt that differences of opinion have worsened, perhaps due to the nearness of the date when the new leader of the Armed Forces will have to be appointed.

At Radio America, we are deeply concerned about what is taking place inside the military institution. Because it is an institution that must be worthy of the respect of all Hondurans, it must be a model of well-reasoned and strictly professional conduct. We want the so-called absolute unity, which is mentioned by the press bulletin, to be a complete reality in the Armed Forces. We are not surprised when there are differences of opinion in the Armed Forces because this is to be expected in an organization comprised of human beings. The only thing that we are worried about is that as a result of these latest events, the Armed Forces might again play the lead in storm situations that would have somber prospects for the country's peace -- situations that we all believed were things of the past. These situations are only good for those who are on the side of totalitarian doctrine and who oppose the democratic process of the country.

SALVADORAN FOREIGN MINISTER ARRIVES FOR VISIT

PA270331 San Pedro Sula LA PRENSA in Spanish 26 Sep 86 p 6

[Text] Tegucigalpa -- Salvadoran Foreign Minister Ricardo Acevedo Peralta arrived last night in this capital from his country to hold conversations with Honduran authorities and exchange views before going to the United Nations.

Acevedo will meet today with President Jose Azcona Hoyo and Honduran Foreign Minister Carlos Lopez Contreras as part of an official visit to the country's main authorities.

Acevedo arrived last night from San Salvador. This is his first official visit to our country as foreign minister, a post to which he was appointed just a month ago to replace Rodolfo Castillo Claramount.

One of the issues he will discuss in his first meeting with Foreign Minister Lopez Contreras will be the sociopolitical situation of Central America, which includes the Central American parliament and the Contadora Group.

In brief statements to LA PRENSA, Acevedo Peralta said that on 2 October, he and Lopez Contreras will be at the United Naitons. Beginning today, they will try to reach an understanding regarding the border demarcation.

Acevedo Peralta, who is accompanied by his wife, was received at Toncontin International Airport by an official Honduran commission, headed by Foreign Minister Carlos Lopez Contreras.

HAVANA CITES MALMIERCA REMARKS AT UN SESSION

FA260432 Havana International Service in Spanish 2300 GMT 25 Sep 86

[Text] Cuban Foreign Relations Minister Isidoro Malmierca Peoli has reaffirmed his country's absolute conviction that the foreign debt of the Third World cannot be paid and must be canceled. During Thursday's discussions at the United Nations General Assembly, Malmierca Peoli stated that the only true and lasting solution to the problems that involve the survival of the peoples are the development and implementation of a new international economic order.

He then explained Cuban concern for the policies of the nuclear arms buildup and the ceaseless development of weapons for massive extermination which the United States and other capitalist powers are advancing. Likewise, he congratulated the Soviet Union for the unilateral moratorium on nuclear tests it decreed in August 1985.

On the topic of Nicaragua, the Cuban foreign minister said that the U.S. Government has violated the UN Charter and attacked the principles and objectives of the Nonaligned Movement by approving funds to finance the Nicaraguan counterrevolution. Later, Isidoro Malmierca Peoli reiterated Cuban concern over the serious situation in South African and reaffirmed its solidarity with the cause of the peoples of South Africa and Namibia in their struggle against apartheid.

To conclude, he urged summoning an international peace conference on the Middle East with PLO participation, demanded self-determination for the Saharan people, and rejected the unjustified U.S. aggression against Libya.

RISQUET MEETS WITH PDRY DELEGATION

FL300137 Havana Television Service in Spanish 0000 GMT 30 Sep 86

[Text] Today, Politburo and Central Committee member Jorge Risquet Valdes met with the People's Democratic Republic of Yemen [PDRY] delegation headed by Umar 'Abd al-Samad, chairman of that country's people's defense committees and of the Yemen-Cuba Friendship Association.

The mission attended the recently held Third Committees for the Defense of the Revolution [CDR] Congress. The two leaders talked about the friendship and solidarity ties between the two countries.

'Abd al-Samad praised the CDR Congress and said he admired the Cuban people's vitality and enthusiasm.

SAFETY OF CUBAN NUCLEAR PLANTS 'GUARANTEED'

FL270316 Havana Television Service in Spanish 0000 GMT 27 Sep 86

[Text] Fidel Castro Diaz-Balart, chief of the Cuban delegation attending the special meeting of the International Atomic Energy Organization in Vienna, rejected as tendentious the statements made by a U.S representative on the supposed dangers arising from the nuclear centers Cuba will construct. Castro Diaz-Balart said the statement, made outside the plenary meeting by John Harrington, head of the U.S. delegation, is more political than technical. The type of reactor in the centers is of Soviet technology, VVER, using water pressure, and has been used in the United States and is well known by specialists.

Castro Diaz-Balart, executive secretary of the Cuban Commission on Nuclear Energy, said the socialist countries have more than 20 years experience in this area and our country has taken all the necessary measures to guarantee the security of its future nuclear electric plants.

MEMBERS OF CDR EXECUTIVE SECRETARIAT PRESENTED

FL291954 [Editorial Report] Havana Television Service in Spanish at 1958 GMT on 28 September carries live coverage of the closing ceremony of the Third CDR [Committees for the Defense of the Revolution] Congress during which the new members of the CDR National Executive Secretariat are presented.

Jesus Orta Ruiz reads the names of the members of the Secretariat, which will lead the CDR activities during the next 5 years. They are: Armando Acosta Cordero as national coordinator; Vicente Pineda Vasallo as national vice coordinator; Maria Luisa Suarez Camp as secretary for ideological affairs; Antonio Martinez Rodriguez as secretary for vigilance affairs; Lizaro Martin Gutierrez as secretary for CDR-FAR affairs; Juan Aizpurua Rodriguez as secretary for public health, savings, and volunteer work affairs; Georgina Gonzalez Duranga as secretary for prevention and education affairs; and Jose Angel Noa, Bernardo Diaz Arozarena, Gustavo Guevara Medina, Jose Fernandez Torres, and Cesareo Silvano Gracia Martinez as members.

RAUL CASTRO ATTENDS 'GRANMA 86' EXERCISES

FL292343 Havana Radio Rebelde Network in Spanish 2300 GMT 29 Sep 86

[Text] Army General Raul Castro, Party Central Committee second secretary and FAR minister, has attended the "Granma 86" defense exercises being conducted in Granma Province. Roberto Damian Alfonso, Central Committee member and Granma Province Party first secretary, and other leaders were also present at those exercises.

RAUL CASTRO ATTENDS 'MONCADA 86' DEFENSE EXERCISES

FL260305 Havana Television Service in Spanish 0000 GMT 26 Sep 86

[Text] Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba Central Committee and FAR minister, and Politburo member Esteban Lazo, first party secretary in Santiago de Cuba Province, as well as other party and state leaders attended part of the "Moncada 86" exercise. This excerise, held in the Santiago de Cuba territory, demonstrates the continuous preparation to liberate the war of all the peoples as an alternative to an imperialist aggression.

In reference to the tactical situations conceived for the development of actions, the high-level of skill reached by the territorial militia troops and the production and defense brigades became evident during the annihilation of invading forces.

The action on the first day of the Moncada 86 exercise were held in several municipalities which work intensely so that this indomitable area can continue being a firm defensive bulwark in the country. In this sense, the completion of dozens of roads is stressed, as well as laying electrical and telephone lines, and the construction of medical assistance posts, which facilitate the direction of the combative actions and simultaneously elevate the standard of living for the residents of the mountain regions.

Exercises Continue

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[Text] The second day of the "Moncada 86" FAR exercise in Santiago de Cuba Province was dedicated to the defense of mountainous zones. Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba Central Committee and FAR minister, again presided over the committee of party and state leaders who are participating in the "Moncada 86" exercise in Santiago de Cuba Province.

During the second day, several municipalities demonstrated their work in making the defense zones in mountain areas efficient combat devices to repel enemy forces, in case these manage to temporarily take control of a portion of our fatherland. Principally, units from the territorial militia troops, along with production and defense brigades from the operational zones, undertook strong and bold strikes in response to the invaders. In this manner, in the course of the defensive, warlike exercise in the Santiago de Cuba territory, it once again became evident that the yankee imperialists will have to confront the peoples' war if they insist on attacking.

JAMAICA

IMF BRIEF SENT ON STALLED NEGOTIATIONS

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[Text] Kingston, Jamaica, Sept 26, CANA -- Jamaica has told the International Monetary Fund (IMF) that reaching agreement on a support programme was critical to meeting its debt-servicing obligations this fiscal year, according to government correspondence. In a brief to the IMF executive directors outlining its positions on current stalled negotiations, the Seaga government noted that Jamaica's delicate cashflow situation and the need to sustain the economy made debt payment heavily dependent of cash flow loans such as those from the World Bank, the U.S. Agency for International Development (USAID) and the IMF itself.

Without a fund programme, therefore, Jamaica's ability to meet its debt service obligations becomes extremely difficult and, therefore, in order to maintain payments on a current basis, it is critical that a fund programme be in place at an early date so that fund-related resources can be drawn down as programmed, the government said in the document obtained by CANA.

Jamaica during this fiscal year, ending next March, will have to pay the IMF an estimated U.S. 200 million dollars in principal and interest, a third of its total external debt obligations. Since April, the government has been in arrears to the Fund by an estimated U.S. 70 million dollars, and Prime Minister Edward Seaga recently said that the non-payment was deliberate negotiating strategy. However, in the negotiating brief, the government said it deeply regrets its inability to meet payment obligations to the Fund, adding that this was caused largely because the World Bank loan of U.S. 40 million dollars in March. The bank had tied the disbursement of the loan to Jamaica reaching agreement with a mission from the bank, the IMF and USAID, which was discussing a programme for the economy.

The Seaga government rejected the mission's report, leading to new negotiations with the IMF, which is now stuck on a number of issues, the principal one being the funds demands for immediate devaluation of the Jamaican dollar. Jamaica said the World Bank's linking of the loan to agreement with the tripartite team was not in the original agreement. The decision led to a failure of IMF performance tests in March. The government's brief said clearing off arrears to the IMF was critically dependent on drawing down the World Bank loan -- hopefully before the end of August to become current in that month. The government apparently has not been able to draw down the loan. In respect of future payments to the Fund, the cash flow forecast indicates that provided the fund programme is in place and fund drawings as well as fund-related disbursement take place as programmed, fund payments will be made as they fall due, Jamaica promised.

TRINIDAD AND TOBAGO

CHAMBERS DECLINES TO ANNOUNCE ELECTIONS

FL282330 Bridgetown CANA in English 2147 GMT 28 Sep 86

[By Debra Ransome]

[Text] Port of Spain, Trinidad, Sep 28, CANA -- Prime Minister George Chambers kept foes and fans alike guessing today by declining to name a date for general elections. There were predictions that the prime minister would have told Trinidadians exactly when they will go to the polls but Chambers said he did not participate in blind dates. The current term of office of the People's National Movement (PNM) -- which has governed since 1956 -- expires in December but Chambers can stay in office another three months.

He attacked the National Alliance for Reconstruction (NAR) -- a near 10-month old merger of four opposition parties -- predicting chaos if they won power.

Speaking at an assembly organised by the PNM's women's league, Chambers said his way of life stemmed from the principles of fear of God, fair play, respect of family, and total disinterest in political trappings.

To those on the periphery who came here today to hear me announce a date or dates, said Chambers, to those of you on the periphery who came to peep and to listen to whether or not I will announce any particular date or dates, on the basis of the value system which I have just enumerated, you ought to know that I do not participate in blind dates.

He portrayed the opposition as seeking to destroy the positive influence of his ruling party. Chambers said there had been a tragic distortion of the record of the PNM in the past 30 years suggesting that society's values had been whittled away.

This business theme of building a powerful alternative to PNM is a recurring theme at each election time, he added. And as we move towards the period, as I say, of national choice, they have begun again. Let us be in no doubt about this, what is being sought ...is not...just a change of government. Their purpose and intent are to destroy the positive influence which PNM had had over 30 years on the life and character... of this nation so that in time they can capture power, said Chambers. You and I know it is the discipline and stability of the PNM which have imparted structure and continuity to the orderly development of this country and that, without this leadership, chaos will reign.